



CURRENT INDUSTRIAL REPORTS

# Manufacturers' Shipments, Inventories, and Orders

November 1972



U. S. DEPARTMENT OF COMMERCE • Social and Economic Statistics Administration • BUREAU OF THE CENSUS

FOR RELEASE: January 3, 1973

SERIES: M3-1(72)-11

## SUMMARY

New orders for manufactured products in November increased \$2.57 billion or 3.9 percent to \$68.03 billion from \$65.45 billion in October, after seasonal adjustment. Shipments in November increased \$2.02 billion or 3.1 percent to \$66.74 billion. Unfilled orders increased \$1.29 billion or 1.6 percent to \$84.20 billion at the end of November. Manufacturers' inventories increased \$510 million or 0.5 percent to \$106.52 billion at the end of November. The inventories to shipments ratio decreased from 1.64 to 1.60.

For the 3 months ending in November, the average month-to-month change in new orders was a 1.8 percent increase compared with a 1.3 percent increase for the 3 months ending in August and a 1.2 percent increase for the 3 months ending in May.

## NEW ORDERS

New orders for durable goods increased \$1.14 billion or 3.1 percent to \$37.90 billion. Increases in new orders were reported for nonelectrical machinery (\$385 million); primary metals (\$275 million); stone, clay and glass (\$195 million); and electrical machinery (\$145 million).

## SHIPMENTS

Shipments of durable goods increased \$750 million or 2.1 percent to \$36.84 billion in November. Shipments of nondurable goods increased \$1.26 billion or 4.4 percent to \$29.90 billion, led by the foods industry (\$525 million).

## UNFILLED ORDERS

Unfilled orders for durable goods increased \$1.07 billion or 1.3 percent to \$80.24 billion at the end of November, led by nonelectrical machinery (\$540 million), electrical machinery (\$245 million), and primary metals (\$185 million).

## INVENTORIES


Inventories of durable goods and nondurable goods manufacturers increased \$440 million and \$75 million respectively in November. At the all manufacturing level, materials and supplies increased \$305 million, goods in process increased \$125 million, and \$85 million.

## SCHEDULED RELEASE DATES

The figures on the durable goods industries in this report supersede those issued earlier in the advance report on durable goods. The advance report is based on a tabulation of early reports and is limited to statistics on shipments, new orders, and unfilled orders for a few broad industry categories. The present report is based on more complete reporting, but the estimates are also considered preliminary. Final figures will appear as historical data in the report to be published for next month. The advance report on durable goods for December is scheduled for release on January 22, 1973 and the full report is scheduled for release on January 31, 1973.

For an explanation of terms used in this report see appendix following table 5.

Inquiries concerning these figures should be addressed to the U.S. Department of Commerce, Social and Economic Statistics Administration, Bureau of the Census, Industry Division, Washington, D.C. 20233.



Digitized by the Internet Archive  
in 2011 with funding from

University of Florida, George A. Smathers Libraries with support from LYRASIS and the Sloan Foundation



Table 2.--VALUE OF MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS, FOR MARKET CATEGORIES AND SUPPLEMENTARY SERIES  
(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment <sup>1</sup>			Seasonally adjusted			Without seasonal adjustment		
	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Sept. 1972	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Nov. 1971	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Sept. 1972	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Nov. 1971
	Shipments						Total inventories					
All manufacturing industries, total..	66,741	64,725	63,903	66,500	67,035	57,309	106,520	106,008	105,441	106,005	105,311	101,183
Durable goods industries, total.....	36,838	36,086	35,037	36,649	37,182	30,679	69,769	69,330	68,834	69,355	68,840	65,461
Nondurable goods industries, total.....	29,903	28,639	28,866	29,851	29,853	26,630	36,751	36,678	36,607	36,650	36,471	35,722
Industry groups arranged by market categories:												
Home goods and apparel.....	6,881	6,439	6,419	6,838	7,092	5,957	11,572	11,593	11,524	11,130	11,227	10,509
Consumer staples.....	12,735	12,130	12,233	12,868	12,745	11,568	14,372	14,236	14,315	14,662	14,450	14,089
Equipment and defense products, except automotive.....	9,382	9,287	9,032	9,151	9,253	7,894	27,810	27,452	27,282	27,755	27,363	26,187
Automotive equipment.....	6,678	6,410	6,060	7,040	7,004	5,663	5,856	5,806	5,753	5,892	5,817	5,249
Construction materials, supplies, and intermediate products.....	5,857	5,699	5,612	5,725	5,982	4,951	8,561	8,653	8,433	8,368	8,415	8,053
Other materials and supplies and intermediate products.....	25,208	24,760	24,547	24,878	24,959	21,276	38,349	38,268	38,134	38,198	38,039	37,096
Supplementary series: <sup>2</sup>												
Household durable goods industries.....	3,302	3,016	3,000	3,293	3,330	2,597	5,462	5,373	5,319	5,313	5,231	4,852
Capital goods industries.....	10,962	10,897	10,632	10,981	10,845	9,525	31,174	30,806	30,642	31,141	30,796	29,552
Nondefense.....	9,168	9,038	8,815	9,104	9,029	7,754	25,261	24,940	24,906	25,180	24,820	24,437
Defense*.....	1,794	1,859	1,817	1,877	1,816	1,771	5,913	5,866	5,736	5,961	5,976	5,115
	New orders						Unfilled orders					
All manufacturing industries, total..	68,027	65,454	65,776	67,549	67,748	57,542	84,197	82,906	82,180	83,268	82,225	72,136
Durable goods industries, total.....	37,902	36,759	36,851	37,456	37,792	30,856	80,242	79,174	78,506	79,306	78,504	69,085
Nondurable goods industries, total.....	30,125	28,695	28,925	30,093	29,956	26,686	3,955	3,732	3,674	3,962	3,721	3,051
Industry groups arranged by market categories:												
Home goods and apparel.....	6,888	6,520	6,523	6,748	7,068	5,987	2,698	2,680	2,604	2,625	2,698	2,262
Consumer staples.....	12,745	12,125	12,225	12,886	12,755	11,584						
Equipment and defense products, except automotive.....	10,010	9,585	10,050	9,363	9,630	7,893	42,844	42,169	41,728	42,718	42,351	38,147
Automotive equipment.....	6,723	6,556	6,094	7,190	7,109	5,807						
Construction materials, supplies, and intermediate products.....	5,836	5,661	5,790	5,633	5,898	4,790	9,719	9,740	9,778	9,640	9,731	9,161
Other materials and supplies and intermediate products.....	25,825	25,007	25,094	25,729	25,288	21,481	28,936	28,317	28,070	28,285	27,445	22,566
Supplementary series: <sup>2</sup>												
Household durable goods industries.....	3,287	3,094	3,113	3,178	3,306	2,615	2,224	2,238	2,161	2,143	2,258	1,859
Capital goods industries.....	11,683	11,359	11,762	11,376	11,424	9,644	49,247	48,522	48,065	49,098	48,707	43,282
Nondefense.....	9,764	9,694	9,519	9,595	9,594	7,786	29,045	28,444	27,792	28,810	28,325	25,283
Defense*.....	1,919	1,665	2,243	1,781	1,830	1,858	20,202	20,078	20,273	20,288	20,382	17,999

\*During 1968 manufacturers in ordnance, communications, aircraft and aircraft parts, and shipbuilding industries began to provide aggregate figures on shipments, orders, and total inventories of work performed for the Department of Defense. The results of these reports are included in the defense series. <sup>P</sup>Preliminary. <sup>R</sup>Revised. <sup>1</sup>Shipments and new orders adjusted for trading-day and calendar-month variations; unfilled orders and inventories as of end of month. <sup>2</sup>The supplementary series are regroupings of the separate industry categories as follows:

Household durable goods industries - Household furniture; kitchen articles and pottery; cutlery, handtools, and hardware; household appliances; ophthalmic goods, watches, and clocks; and miscellaneous personal goods.

Capital goods industries - The capital goods industries series is comparable to the previous Producers' Capital Goods and the Defense Products (old series) categories.

Nondefense products - Machinery, except electrical (excluding farm machinery and equipment and machine shops), electrical machinery (excluding household appliances and electronic components), and the nondefense portions of shipbuilding and repairing and railroad equipment, communication equipment, aircraft and aircraft parts, and ordnance.

Defense products - Based on separate reports on defense work filed by large defense contractors in the following industries: ordnance, communications, aircraft and aircraft parts, and shipbuilding. The data are comparable to those published annually in the MA-175, Shipments of Defense-Oriented Industries, for the specified industries.



Table 3.--MANUFACTURERS' SHIPMENTS, INVENTORIES, AND ORDERS MONTH-TO-MONTH AND LONG TERM PERCENT CHANGES

(Based on seasonally adjusted data)

Item and industry group	Month-to-month			Average monthly rates of change				Average, 1966-1971	
	Oct.- Nov. 1972	Sept.- Oct. 1972	Aug.- Sept. 1972	3 months			12 months	Average rise	Average decline
				Aug. 1972- Nov. 1972	May 1972- Aug. 1972	Feb.-May 1972	Nov.1971- Nov. 1972		
Shipments:									
All manufacturing industries.....	+3.1	+1.3	+0.9	+1.8	+1.1	+1.2	+1.3	+1.3	-1.1
Durable goods industries, total.....	+2.1	+3.0	+0.9	+2.0	+1.0	+1.7	+1.5	+2.1	-1.1
Nondurable goods industries, total.....	+4.4	-0.8	+0.8	+1.5	+1.1	+0.7	+1.0	+0.8	-0.5
Total inventories:									
All manufacturing industries.....	+0.5	+0.5	+0.3	+0.4	+0.8	+0.2	+0.4	+0.5	-0.2
New orders:									
All manufacturing industries.....	+3.9	-0.5	+2.1	+1.8	+1.3	+1.2	+1.4	+1.9	-1.2
Durable goods industries, total.....	+3.1	-0.2	+3.1	+2.0	+1.4	+1.9	+1.6	+2.9	-2.6
Nondurable goods industries, total.....	+5.0	-0.8	+0.8	+1.7	+1.2	+0.5	+1.0	+0.9	-0.5
Unfilled orders:									
Durable goods industries, total.....	+1.3	+0.9	+2.4	+1.5	+1.8	+0.8	+1.2	+0.8	-1.1

Table 4.--VALUE OF MANUFACTURERS' INVENTORIES, BY STAGE OF FABRICATION, BY INDUSTRY GROUP

(Millions of dollars)

Industry group	Seasonally adjusted			Without seasonal adjustment			Seasonally adjusted			Without seasonal adjustment		
	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Sept. 1972	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Nov. 1971	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Sept. 1972	Nov. 1972 <sup>P</sup>	Oct. 1972 <sup>F</sup>	Nov. 1971
	Total						Materials and supplies					
All manufacturing industries, total..	106,520	106,008	105,441	106,005	105,311	101,183	33,683	33,379	33,179	33,745	33,446	32,661
Durable goods industries, total.....	69,769	69,330	68,834	69,355	68,840	65,461	19,935	19,701	19,468	19,954	19,835	19,144
Stone, clay, and glass products.....	2,376	2,385	2,367	2,268	2,259	2,180	789	794	791	784	789	757
Primary metals.....	9,614	9,664	9,761	9,698	9,665	9,248	3,451	3,440	3,457	3,568	3,583	3,529
Machinery (electrical and nonelectrical).	24,321	24,009	23,937	24,120	23,793	23,274	6,533	6,389	6,346	6,463	6,350	6,179
Transportation equipment.....	16,672	16,486	16,326	16,810	16,629	15,106	2,905	2,900	2,822	2,951	2,950	3,007
All other durable goods industries.....	16,786	16,786	16,443	16,459	16,494	15,653	6,237	6,178	6,052	6,188	6,163	5,672
Nondurable goods industries, total.....	36,751	36,678	36,607	36,650	36,471	35,722	13,748	13,678	13,711	13,791	13,611	13,517
Chemicals and allied products.....	6,829	6,801	6,751	6,720	6,651	6,520	2,328	2,309	2,331	2,319	2,288	2,254
Petroleum and coal products.....	2,262	2,261	2,272	2,295	2,297	2,343	518	520	539	512	517	528
Rubber and plastics products, n.e.c.....	2,260	2,255	2,256	2,254	2,226	2,112	636	642	641	648	643	644
All other nondurable goods industries....	25,400	25,361	25,328	25,381	25,297	24,747	10,266	10,207	10,200	10,312	10,163	10,091
	Work in process						Finished goods					
All manufacturing industries, total..	37,799	37,675	37,081	37,760	37,617	34,916	35,038	34,954	35,181	34,500	34,248	33,606
Durable goods industries, total.....	32,235	32,070	31,529	32,243	32,042	29,631	17,599	17,559	17,837	17,158	16,963	16,686
Stone, clay, and glass products.....	301	301	304	278	278	274	1,286	1,290	1,272	1,206	1,192	1,149
Primary metals.....	3,297	3,350	3,394	3,316	3,308	3,111	2,866	2,874	2,910	2,814	2,774	2,608
Machinery (electrical and nonelectrical).	10,789	10,697	10,635	10,786	10,679	10,392	6,999	6,923	6,956	6,871	6,764	6,703
Transportation equipment.....	12,539	12,348	11,998	12,627	12,449	10,689	1,228	1,238	1,506	1,232	1,230	1,410
All other durable goods industries.....	5,309	5,374	5,198	5,236	5,328	5,165	5,220	5,234	5,193	5,035	5,003	4,816
Nondurable goods industries, total.....	5,564	5,605	5,552	5,517	5,575	5,285	17,439	17,395	17,344	17,342	17,285	16,920
Chemicals and allied products.....	1,050	1,034	1,027	1,040	1,027	992	3,451	3,458	3,393	3,361	3,336	3,274
Petroleum and coal products.....	479	502	499	476	505	491	1,265	1,239	1,234	1,307	1,275	1,324
Rubber and plastics products, n.e.c.....	356	358	344	358	361	330	1,268	1,255	1,271	1,248	1,222	1,138
All other nondurable goods industries....	3,679	3,711	3,682	3,643	3,682	3,472	11,455	11,443	11,446	11,426	11,452	11,184

<sup>P</sup> Preliminary.<sup>F</sup> Revised.







definition of shipments in the monthly reports differs from that used in the annual establishment reports, it is assumed that the month-to-month changes in company sales in the industry are representative of the month-to-month shipments of the establishments in the industry.

**Inventories**--End-of-month inventories in the monthly survey are identical in definition to the end-of-year inventories in the ASM. In the ASM, respondents are asked to report inventories of individual establishments at approximate current cost if feasible; otherwise, "at book values." Since different methods of inventory valuation are used (LIFO, FIFO, etc.), the definition of the aggregate inventories for establishments in an industry is not precise. The figures on the change in inventories from one period to the next are of greater significance than the actual aggregates.

Inventories are reported by stage of fabrication: (a) finished goods; (b) work in process; and (c) materials, supplies, fuel, and other inventories. In using inventories by stage of fabrication at the all manufacturing and 2-digit industry levels as well as for the durable and nondurable goods sectors, it should be noted that a finished product of one industry may be a raw material for another industry at the next stage of fabrication. Insofar as the durable and nondurable goods sectors and also the 2-digit industry groups contain industries with successive stages of processing, the same type of commodity may be included under different inventory categories in the aggregate statistics.

### **New Orders Received and Unfilled Orders--**

Orders as reported in the monthly survey are net of cancellations during the month. They include orders received during the period and also filled during the period as well as those orders received for future delivery. They also include the net sales value of contract change documents which increase or decrease the sales value of the unfilled orders to which they relate. Orders include only those supported by binding legal documents such as signed contracts, or letter contracts. In case of letter contracts the full amount of the sales value is included if the parties are in substantial agreement on the amount; otherwise, only the funds specifically authorized to be expended are included. The respondent is instructed to deduct the sales value of partial or complete cancellation of existing orders.

Unfilled orders include orders as defined above that have not yet passed through the sales account. Generally, unfilled orders at the end of the reporting period are equal to unfilled orders at the beginning of the period plus net new orders received less net sales.

While both new orders and unfilled orders are used in reviewing individual company reports for consistency, only unfilled orders are estimated directly in the tabulated totals. New orders are derived from the shipments plus net change in unfilled orders for each industry category. This procedure is followed for seasonally adjusted data as well as for the unadjusted data. Shipments and unfilled orders are seasonally adjusted independently. Seasonally adjusted new orders are derived from seasonally adjusted shipments and seasonally adjusted unfilled orders.